

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re:	:	BANKRUPTCY NO. 20-10334 TPA
	:	
JOSEPH MARTIN THOMAS,	:	JUDGE THOMAS P. AGRESTI
Debtor.	:	
	:	CHAPTER 11
JOSEPH MARTIN THOMAS,	:	
Movant,	:	RELATED TO DOCUMENT NO. ____
	:	
v.	:	
	:	
PNC BANK, NATIONAL ASSOCIATION;	:	
TAX COLLECTOR, CITY OF ERIE; ERIE	:	
COUNTY TAX CLAIM BUREAU; UNITED	:	
STATES OF AMERICA, INTERNAL	:	
REVENUE SERVICE; COMMONWEALTH	:	
OF PENNSYLVANIA, DEPT. OF	:	
REVENUE; and DALE E. PEHRSSON AND	:	
ROBERT S. PEHRSSON;	:	
Respondents.	:	

ORDER CONFIRMING SALE OF REAL AND PERSONAL PROPERTY
FREE AND DIVESTED OF LIENS

AND NOW, this ____ day of _____, 2021, on consideration of the Debtor's *Motion for Sale of Real and Personal Property Free and Divested of Liens*, Joseph Martin Thomas, to Dale E. Pehrsson and Robert S. Pehrsson, for the total sum of \$1,047,000.00, after hearing held in the Bankruptcy Courtroom, U.S. Courthouse, 17 South Park Row, Erie, Pennsylvania 16501, this date, the Court finds:

1) That service of the *Notice of Hearing* setting hearing on said *Motion for Sale of Real and Personal Property Free and Divested of Liens* of the above-named Respondents, was effected on the following secured creditors whose liens are recited in said *Motion/Complaint* for sale, viz:

DATE OF SERVICE

NAME OF LIENOR AND SECURITY

Office of the United States Trustee
Liberty Center
1001 Liberty Avenue, Suite 970
Pittsburgh, PA 15222

DATE OF SERVICE

NAME OF LIENOR AND SECURITY

PNC Bank, National Association
P.O. Box 94982
Cleveland, OH 44101

(Mortgage on real estate located at 2100 South Shore Drive, Erie, Pennsylvania dated September 9, 2009 and recorded on September 18, 2009 in Erie County Record Book 1591, Page 1529 and re-recorded on December 7, 2009 in Erie County Record Book 1607, Page 1982)

PNC Bank, N.A.
2730 Liberty Avenue
Pittsburgh, PA 15222

(Mortgage on real estate located at 2100 South Shore Drive, Erie, Pennsylvania dated September 9, 2009 and recorded on September 18, 2009 in Erie County Record Book 1591, Page 1529 and re-recorded on December 7, 2009 in Erie County Record Book 1607, Page 1982)

Brian Nicholas, Esquire
KML Law Group PC
701 Market Street, Suite 5000
Philadelphia, PA 19106

(Counsel to PNC Bank, National Association)

Tax Collector, City of Erie
626 State Street
Room 105
Erie, PA 16501-1128

(Statutory Lien for Real Estate Taxes)

Erie County Tax Claim Bureau
140 West Sixth Street
Room 110
Erie, PA 16501

(Statutory Lien for Real Estate Taxes)

Attorney General of the United States
U.S. Dept. of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

(Federal Tax Liens)

DATE OF SERVICE

NAME OF LIENOR AND SECURITY

United States Attorney's Office
Western District of Pennsylvania
ATTENTION: Civil Process Clerk
Joseph F. Weis, Jr. U.S. Courthouse
700 Grant Street
Suite 4000
Pittsburgh, PA 15219

(Federal Tax Liens)

United States Attorney's Office
Western District of Pennsylvania
ATTENTION: Civil Process Clerk
17 South Park Road, Suite A330
Erie, PA 16501

(Federal Tax Liens)

Stephen R. Kaufman, Esquire
Acting U.S. Attorney for the Western District of PA
Joseph F. Weis, Jr. U.S. Courthouse
700 Grant Street, Suite 4000
Pittsburgh, PA 15219

(Federal Tax Liens)

Internal Revenue Service
ATTENTION: Centralized Insolvency Operations
P.O. Box 7346
Philadelphia, PA 19101-7346

(Federal Tax Liens)

Internal Revenue Service
ATTENTION: Sandra M. Bence
1000 Liberty Avenue
Stop 711B
Pittsburgh, PA 15222-3714

(Federal Tax Liens)

DATE OF SERVICE

NAME OF LIENOR AND SECURITY

Jill Locnikar, Esquire
Assistant U.S. Attorney
700 Grant Street, Suite 4000
Pittsburgh, PA 15219

(Counsel to Internal Revenue Service)

(Federal Tax Liens)

Pa. Dept. of Revenue
Bankruptcy Division
P.O. Box 280946
Harrisburg, PA 17128-0946

(Commonwealth Tax Liens)

Pa. Dept. of Revenue
4th & Walnut Street
Harrisburg, PA 17128

(Commonwealth Tax Liens)

Attorney General of Pennsylvania
Western Regional Office
1251 Waterfront Place
Mezzanine Level
Pittsburgh, PA 15222

(Commonwealth Tax Liens)

Lauren Michaels, Esquire
Office of the Attorney General
Western Regional Office
1251 Waterfront Place
Mezzanine Level
Pittsburgh, PA 15222

(Counsel to Pa. Dept. of Revenue)

Coldwell Banker Select, REALTORS
ATTENTION: Mark Hutchison
413 West Plum Street, Suite A
Edinboro, PA 16412

(Debtor's Realtor)

DATE OF SERVICE

NAME OF LIENOR AND SECURITY

Dale E. Pehrsson
Robert S. Pehrsson
1 Golden Eagle Lane
Clarion, PA 16214

(Purchasers)

Eugene C. Sundberg, Jr., Esquire
The Marsh Law Firm
300 State Street, Suite 300
Erie, PA 16507

(Counsel to Purchasers)

Agresti Real Estate
ATTENTION: Harry Latta, Jr.
2653 West 26th Street
Erie, PA 16506

(Purchaser's Realtor)

2) That sufficient general notice of said hearing and sale, together with the confirmation hearing thereon, was given to the creditors and parties in interest by the moving party as shown by the certificate of service filed and that the named parties were served with the *Motion/Complaint*.

3) That said sale hearing was duly advertised on the Court's website pursuant to W.P.A LBR 6004-1(c)(2) on _____, in the *Erie Times News* on _____ and in the *Erie County Legal Journal* on _____, as shown by the Proof of Publications duly filed.

4) That at the sale hearing the highest/best offer received was that of the above Purchasers and no objections to the sale were made which would result in cancellation of said sale.

5) That the total purchase price of \$1,047,000.00 offered by Dale E. Pehrsson and Robert S. Pehrsson was a full and fair price for the real and personal property in question.

6) That the Purchaser has acted in good faith with respect to the within sale in accordance with In re Abbotts Dairies of Pennsylvania, Inc., 788 F2d. 143 (3d Cir. 1986).

NOW THEREFORE, it is hereby **ORDERED, ADJUDGED AND DECREED** that the sale by Special Warranty Deed of the real property described as

a) Real estate located at 2100 South Shore Drive, Erie, Pennsylvania, Tax Index No. 17-041-034.0-102.00, and

b) Certain items of personal property owned by Joseph Martin Thomas more fully identified in Exhibit "C" to the *Motion for Sale of Real and Personal Property*

is hereby CONFIRMED to Dale E. Pehrsson and Robert S. Pehrsson for the total sum of \$1,047,000.00, free and divested of the above recited liens and claims, and, that the Movant is authorized to make, execute and deliver to the Purchasers above named the necessary deed and/or other documents required to transfer title to the property purchased upon compliance with the terms of sale;

It is **FURTHER ORDERED** that the above recited liens and claims, be, and they hereby are, transferred to the proceeds of sale, if and to the extent they may be determined to be valid liens against the sold property, that the within decreed sale shall be free, clear and divested of said liens and claims;

It is **FURTHER ORDERED** that the following expenses/costs shall immediately be paid at the time of closing. *Failure of the Closing Agent to timely make and forward the disbursements required by this Order will subject the closing agent to monetary sanctions, including among other things, a fine or the imposition of damages, after notice and hearing, for failure to comply with the above terms of this Order.* Except as to the distribution specifically authorized herein, all remaining funds shall be held by Counsel for Movant pending further Order of this Court after notice and hearing.

2100 SOUTH SHORE DRIVE, ERIE, PENNSYLVANIA

The sum of \$1,035,000.00 is allocated as the purchase price for the real estate located at 2100 South Shore Drive, Erie, Pennsylvania. Of that amount, the following disbursements shall be made:

- a) Delinquent real estate taxes payable to the Erie County Tax Claim Bureau in the approximate amount of \$39,294.75, plus continuing interest at the rate of 9% per annum from March 1, 2021;
- b) Current real estate taxes, pro-rated to the date of closing;
- c) The costs of local newspaper advertising in the amount of \$_____, to be reimbursed to The Quinn Law Firm;
- d) The costs of legal journal advertising in the amount of \$_____, to be reimbursed to The Quinn Law Firm;
- e) Reimbursement to The Quinn Law Firm of the filing fee for the Motion for Sale of Real Property Free and Divested of Liens in the amount of \$188.00;
- f) The Court approved realtor commission in the amount of \$47,925.00;
- g) Payment in full of the first mortgage lien in favor of PNC Bank, National Association on the real estate located at 2100 South Shore Drive, Erie, Pennsylvania, Tax Index No. 17-041-034.0-102.00 in the approximate principal amount of \$647,171.24, plus interest and satisfaction costs;

- h) Payment on the full amount of the secured tax lien on the real estate located at 2100 South Shore Drive, Erie, Pennsylvania in favor of the Internal Revenue Service in the approximate principal amount of \$239,176.77, plus interest and satisfaction costs, which shall be placed in escrow pending any offset from the Debtor's future tax filings; and
- i) Payment on the full amount of the secured tax lien on the real estate located at 2100 South Shore Drive, Erie, Pennsylvania in favor of the Pennsylvania Department of Revenue in the approximate principal amount of \$22,185.11, plus interest and satisfaction costs.
- j) Other: The sum of no more than \$1,500.00 shall be paid to the closing agent who represents the Debtor at the time of the real estate closing.
- k) Other: Any and all due and owing municipal fees, as well as any and all water, sewer, and refuse charges, if applicable, shall be paid at the time of the closing.
- l) Other: This sale is confirmed pursuant to Dr. Thomas's Plan of Reorganization dated February 15, 2021 and, as such, will be exempt from all realty transfer taxes pursuant to §1146(a).
- m) Other: The sum of \$10,470.00 (1% of the purchase total price for the real and personal property) shall be paid to the Office of the United States Trustee on account of quarterly U.S. Trustee's fees due in regard to the disbursements made at the time of the real estate closing.
- n) Other: The remaining net proceeds, which are estimated to be approximately \$21,000.00, shall be paid to Debtor's Counsel, Michael P. Kruszewski, Esquire and the Quinn Law Firm, to be held in its escrow account, on account of the administrative claims of the Debtor, Joseph Martin Thomas.

PERSONAL PROPERTY OWNED BY JOSEPH MARTIN THOMAS
MORE FULLY IDENTIFIED IN EXHIBIT "C" TO THE
MOTION FOR SALE OF REAL AND PERSONAL PROPERTY

The sum of \$12,000.00 is allocated as the purchase price for personal property more fully identified in Exhibit "C" to the Motion for Sale of Real and Personal Property. Of that amount, the following disbursements shall be made:

- a) The proceeds from the sale of the personal property in the amount of \$12,000.00 shall be paid to Debtor's Counsel, Michael P. Kruszewski, Esquire and the Quinn Law Firm, to be held in its escrow account, on account of the administrative claims of the Debtor, Joseph Martin Thomas.

It is **FURTHER ORDERED** that:

- 1) Within seven (7) days of the date of this Order, the Movant/Plaintiff shall serve a copy of the within Order on each Respondent/Defendant (i.e., each party against whom relief is sought) and its attorney of record, if any, upon any attorney or party who answered the motion or appeared at the hearing, the attorney for the debtor, the Closing Agent, the Purchaser, and the attorney for the Purchaser, if any, and file a Certificate of Service.

- 2) *Closing shall occur within thirty (30) days of this Order.*
- 3) *Within seven (7) days following closing,* the Movant shall file a *Report of Sale* which shall include a copy of the HUD-1 or other Settlement Statement; and,
- 4) This *Sale Confirmation Order* survives any dismissal or conversion of the within case.

Thomas P. Agresti, Judge
United States Bankruptcy Court